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## SUMMARY

## SOUTHEAST ASIA

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## SOUTHEAST ASIA

<b>1.</b> 25X1A	Comment on prospective Vietnamese premier:	
23/(17	Rumors that Premier Buu Loc had submitted his resignation to Bao Dai were confirmed on 16 June by an official communique from the premier's office. Bao Dai's choice as premier-designate is the prominent Catholic layman, Ngo Dinh Diem.	
	Bao Dai's reported decision to appoint Diem at this critical juncture has given rise to speculation that his motive is simply to set up a scapegoat government to bear the onus of signing an unfavorable truce agreement with the Viet Minh.	
	Diem has been out of public office for more than 20 years and out of the country for more than four. Reports of his appointment have elicited considerable comment as to his qualifications and intentions. Even the most favorable comment on Diem's qualifications has been somewhat reserved, his advocates conceding that his alleged popularity and well-established honesty are to some extent offset by his arrogance, inexperience, and impracticality.	
	The American consul in Hanoi has expressed concern at reports that Diem was considering the replacement of north Vietnam's capable governor, Nguyen Huu Tri.	
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5X1A <b>2.</b>	Ely pessimistic on Tonkin delta prospects:	
	General Ely, in conversation with the American chargé in Saigon on 15 June, termed the Tonkin delta military situation "precarious." He said that French and Vietnamese troops are "very, very tired" and that the enemy now holds about two thirds of all delta villages. Ely clearly indicated his personal doubt that the delta could be held without outside reinforcements of from two to three divisions.	

The French commander in chief also commented on the low state of the Vietnamese government and expressed the feeling that Ngo Dinh Diem, the reported premierdesignate, would probably prove ineffectual in rallying support for the government.

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